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July 6, 2005

**RECEIVED**

Mr. Charles L.A. Terreni  
Chief Clerk  
Public Service Commission of South Carolina  
P.O. Drawer 11649  
Columbia, SC 29211

JUL 7 - 2005

OFFICE OF SPECIAL ASSISTANTS  
PUBLIC SERVICE COMMISSION  
OF SOUTH CAROLINA

**Re: Horry Telephone Long Distance, Inc. (HTLD) Tariff Filing to Eliminate  
Distance Sensitive Elements and Introduce a New Flat Rate Offering to  
Residential Customers  
Docket No. 2005-84-C**

Dear Mr. Terreni:

The purpose of this letter is to further clarify the position of ORS pertaining to the above-referenced matter. On March 18, 2005, ORS requested that the Commission establish a docket and require notice to the public based upon the assertion that the general body of subscriber base would be affected by the changes. The Public Service Commission of South Carolina, by motion in regular session on March 29, 2005, directed ORS to provide an explanation as to why this tariff filing may affect the general body of subscribers. Subsequently, Joseph Melchers, Esquire, of your Staff, communicated this directive via letter to ORS on April 15, 2005. A response was filed with the Commission complying with such on May 4, 2005.

My letter of May 4, 2005, in addition to explaining why the general body of subscribers would be affected, stated that all customers subscribing to MTS would be positively affected by the proposed changes in HTLD's tariff filing. This was based upon HTLD's information provided to ORS in its initial filing. Subsequent to this communication, HTLD felt the need to conduct an actual traffic study to verify the impact of the aforementioned changes. Whereas the study did not reveal a 100% positive impact on the MTS customers, the study concluded that there was a slight possibility that no more than 3% of the traffic may produce a negative impact. On June 10, 2005, the McNair Firm, P.A., on behalf of HTLD, filed revisions replacing previous pending modifications to the Company's MTS Service.

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Based upon these findings, we felt that a letter from ORS explaining this slight differential should be provided to the Commission. Our understanding is that the Company is complying with the public notice requirements; we do not anticipate any opposition to the filing.

As previously stated, it is our understanding that with this revision, 97% of the MTS customers would clearly benefit from the proposed tariff changes. The position of ORS is a two-fold positive view. With the long distance market so extremely competitive, these changes may allow HTLD to continue to serve their loyal customers and remain in the traditional long distance business with this MTS product at lower rates. For the HTLD consumer, approval of this filing, resulting in the generation of lower rates for the vast majority, may prevent a customer from being placed in the uncomfortable position of having to migrate to another carrier/service due to economic reasons particularly if they are comfortable with their present carrier and presubscribed product.

I hope this informational update on the proposed tariff revisions is beneficial to the Commission. If further information is needed, please do not hesitate to let us know.

Sincerely,

Joseph W. Rogers  
Tariffs Administrator

JWR

cc: Jocelyn G. Boyd, Deputy Clerk, PSC  
F. David Butler, Senior Counsel, PSC  
Florence P. Belser, General Counsel, ORS  
Joseph Melchers, Chief Counsel, PSC  
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Margaret M. Fox, Esquire, McNair Law Firm, P.A.